Mantengu Mining Limited
Consolidated and Separate Financial Statements
for the year ended 28 February 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Mantengu is a resource investment company which is focused on unlocking new value in the mining, mining services and energy sectors. Mantengu intends to be a "Next Generation" conglomerate because it's funding, empowerment and business models transcend the typical extractive models by creating and introducing new growth into financially unchartered parts of South Africa.
Directors	MJ Miller J Tshikundamalema A Collins M Naidoo VS Madlela
Registered office	5 Saint Michaels Lane Bryanston 2021
Business address	5 Saint Michaels Lane Bryanston 2021
Postal address	PostNet Suite 446 Private Bag X21 2021
Bankers	Nedbank
Auditor	HLB CMA South Africa Inc. Registered Auditors
Secretary	Neil Esterhuysen & Associates Incorporated
Company registration number	1987/004821/06
Level of assurance	These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Companies Act, 2008 (Act 71 of 2008) as amended (Companies Act).
Preparer	The financial statements were compiled under the supervision of the Chief Financial Officer, M Naidoo.
Issued	14 June 2023

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The reports and statements set out below comprise the consolidated and separate financial statements presented to the shareholders:

The CEO and CFO responsibility statement

The directors, whose names are stated below, hereby confirm that -

(a) the annual financial statements set out on pages 12 to 49, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;

(d) the internal financial controls are in the process of being improved to take account of the fact that the Group is on the journey towards steady state production. Notwithstanding that fact, we, the executive directors have fulfilled our role and function in compiling the annual financial statements with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and

(f) we are not aware of any fraud involving directors.

MJ Miller
Chief Executive Officer

M Naidoo
Chief Financial Officer

Combined Audit and Risk Committee ("CARC") Report

The report of the CARC is presented as required by the Companies Act.

Functions and Responsibilities of the CARC

The role of the CARC is to assist the board of directors of Mantengu ("Board") by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication with management and the external auditors.

The CARC is guided by its terms of reference as approved by the Board, dealing with membership, structure and levels of authority and has the following responsibilities:

- ensuring compliance with applicable legislation and the requirements of any regulatory authority;
- nominating for appointment a registered auditor who, in the opinion of the audit committee, is independent of Mantengu;
- considering whether the expertise and experience of the Chief Financial Officer is appropriate;
- considering matters relating to financial accounting, accounting policies, reporting and disclosure and ensuring the integrity of the Mantengu annual report;
- considering internal and external audit policy, including determining fees and the terms of engagement;
- considering and evaluating, on an on-going basis, the need for an internal audit function and audit plans;
- reviewing and approving external audit plans, findings, problems, reports, fees and determining and approving any non-audit services that the auditor may provide to Mantengu;
- ensuring compliance with the Code of Corporate Practices and Conduct; and
- ensuring compliance with the Mantengu code of ethics.

The members of the CARC adopted an audit mandate which will be reviewed annually. The CARC has established a policy, as well as required procedures with regard to the use of the external auditors, for non-audit services. During the year under review, no non-audit services were performed.

The CARC also assesses and monitors all risk matters including compliance risk matters, which responsibilities have been assumed with the adoption by the CARC of a risk mandate.

The CARC is informed of regulatory and other monitoring and enforcement requirements designed to ensure that Mantengu's financial information complies with financial reporting and other regulatory requirements.

Members of the Combined Audit and Risk Committee

The current CARC members are:
V Madlela (Chair),
A Collins, and
J Tshikundamalema.

In terms of King IV, a minimum of three independent non-executive directors is recommended. In terms of the Listings Requirements of the JSE Limited ("JSE"), the CARC must be constituted in terms of King IV and the Companies Act. The CARC consists of three non-executive board members, of whom two are independent non-executive members. Mr. V. Madlela acts as lead independent non-executive director and chairs the CARC.

The external auditors, the Chief Executive Officer and the Chief Financial Officer are all invited to attend the CARC meetings.

Frequency of meetings

In terms of its mandate, the CARC intends meeting a minimum of three times per year and provision is be made for additional meetings to be held when, and if, necessary. The CARC met three times during the 2023 financial year.

Combined Audit and Risk Committee ("CARC") Report

Independence of external audit

A responsibility of the CARC is the assessment of the independence of the external auditor. The CARC duly satisfied itself that, in accordance with the Companies Act, HLB CMA South Africa Inc., remains independent of Mantengu.

In addition, and in accordance with paragraph 22.15(h) of the Listings Requirements the audit committee confirms that, based on the requirements for the JSE-accreditation of Auditors, effective 15 October 2017, we were in our assessment of the suitability for the appointment of the audit firm and designated individual partner satisfied that:

- the audit firm has met all the criteria stipulated in the requirements, including that the audit regulator has completed a firm-wide independent quality control (ISQC 1) inspection on the audit firm during its previous inspection cycle;
- the auditors have provided to the audit committee, the required IRBA inspection decision letters, findings report and the proposed remedial action to address the findings, both at the audit firm and the individual auditor levels; and
- both the audit firm and the individual auditor understand their roles and have the competence, expertise, experience and skills required to discharge their specific audit and financial reporting responsibilities.

The audit committee has ensured that the issuer has established appropriate financial reporting procedures and that those procedures are operating, which includes consideration of all entities included in the consolidated group IFRS financial statements, to ensure that it has access to all the financial information of the issuer to effectively prepare and report on the financial statements of the issuer.

Expertise and experience of the Chief Financial Officer

The CARC is satisfied with the expertise and experience of the Chief Financial Officer and is satisfied that appropriate financial reporting procedures are in place and are operating.

Financial statements

Management has reviewed the consolidated and separate annual financial statements of Mantengu Mining Limited, and the CARC has reviewed these without management or the external auditor being present. The quality of the accounting policies are discussed with the external auditor and a private discussion was held with the external auditor. The CARC considers the financial statements of Mantengu Mining Limited to be a fair presentation of its financial position as at 28 February 2023 and of the results of the operations, changes in equity and cash flows for the period then ended, in accordance with International Financial Reporting Standards and the Companies Act and similarly recommended the financial statements to the Board for approval.

V Madlela
Chair of the CARC
14 June 2023

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act, 2008 (Act 71 of 2008), as amended (Companies Act) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate financial statements.

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

With regard to a system of internal control: this will be enhanced once projects become operational and revenue is generated. The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year ending 28 February 2024 and, in light of this review and the current financial position, they are satisfied that the Group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The directors are satisfied that the Group has complied with and operates in conformity with:

- the provisions of the Companies Act and any other applicable laws relating to its incorporation; and
- the company's memorandum of incorporation and other relevant constitutional documents.

The external auditors are responsible for independently auditing and reporting on the Group's consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the Group's external auditors and their report is presented on pages 8 to 11.

The consolidated and separate financial statements set out on pages 16 to 49, which have been prepared on the going concern basis, were approved by the board of directors of the company ("the Board") on 14 June 2023 and were signed on their behalf by:

MJ Miller
Chief Executive Officer

M Naidoo
Chief Financial Officer

Neil Esterhuysen & Associates Inc.
T: 012 664 4113/8170/7342 F: 086 658 8854 E: neil@nea.co.za
www.nea.co.za

nea.inc
ATTORNEYS

OUR REF : NEA/W59/SH
YOUR REF : Mantengu Mining Limited
DATE : 2023/06/14

MANTENGU MINING LIMITED
FORMERLY MINE RESTORATION INVESTMENTS
5 ST MICHAELS LANE
BRYANSTON
GAUTENG
2191

IN RE: MANTENGU MINING LIMITED COMPANY SECRETARY'S REPORT 2023

I the undersigned certify that, in accordance with Section 88(2)(e) of the Companies Act 71 of 2008, the Company has filed the required returns and notices with the Registrar of Companies, and that all such returns and notices appear to be true, correct and up to date.

MC Motshepe

Clifton Motshepe
NEIL ESTERHUYSEN & ASSOCIATES INC.
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CMA Office & Conference Park
No.1 2nd Road
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Midrand, 1685
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Independent Auditor's Report

To the Shareholders of Mantengu Mining Limited and its subsidiaries

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Mantengu Mining Limited and its subsidiaries (the Group) set out on pages 16 to 50, which comprise the consolidated and separate statement of financial position as at 28 February 2023, the consolidated and separate statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of Mantengu Mining Limited and its subsidiaries as at 28 February 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
1) Acquisition of Langpan Mining Co Proprietary Limited A significant related party transaction occurred during the year wherein Mantengu Mining issued shares to the shareholders of Langpan Mining Co to legally acquire Langpan. The transaction constituted a reverse takeover where the legal acquirer (Mantengu) is regarded as the accounting acquiree and vice versa. Consequently, the consolidated financial statements were accounted for in terms of IFRS 3 and as a business combination.	Our audit procedures included extended procedures and a critical analysis of the accounting treatment of the transaction. IFRS specialists were used to guide the audit team during the audit engagement.
2) Plant and equipment Significant capital expenditure to the amount of R 54 million was incurred during the current financial year outside the ordinary course of business for the purposes of setting up an MG plant to process the chrome and generate the final product. IDC funding was obtained to the value of R 39 million to fund this capital expenditure primarily.	Project funding and related assets were verified to supporting documentation, and physical inspections, along with alternative procedures, were conducted for assets that were located off-site to address the existence assertion.

Other Information

Mantengu Mining Limited and its subsidiaries' directors are responsible for the other information. The other information comprises the information included in the document titled "Mantengu Mining Limited separate and consolidated financial statements for the year ended 28 February 2023", which includes the Audit and Risk Committee's Report, the Company Secretary's Report and the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion and findings do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The board of directors, which constitutes the accounting authority, is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing Mantengu Mining Limited and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting authority either intend to liquidate Mantengu Mining Limited and its subsidiaries or to cease operations, or have no realistic alternative but to do so.

HLB CMA

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

A further description of our responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to the auditor's report.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that HLB CMA South Africa Incorporated has been the auditor of Mantengu Mining Limited for 1 year.

HLB CMA South Africa Incorporated
Registered Auditors

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Jeandre Du Toit
Director
Registered Auditor

14 June 2023

CMA Office & Conference Park
No. 1 2nd Road
Halfway House Estate
Midrand, 1685

Annexure – Auditor's responsibility for the audit

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated and separate financial statements, and the procedures performed on reported performance information for the selected objectives and on the group's compliance with respect to selected subject matters/focus areas.

Financial statements

In addition to our responsibility for the audit of the consolidated and separate financial statements as described in the auditor's report, we also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company and its subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority.
- Conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Mantengu Mining Limited and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Mantengu Mining Limited and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Mantengu Mining Limited and its subsidiaries to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Communication with those charged with governance

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the accounting authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the accounting authority, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB CMA

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate financial statements of Mantengu Mining Limited ("Mantengu" or "the Company" or "the Group") for the year ended 28 February 2023.

1. Nature of business

Mantengu operated as a cash shell until the finalisation of the acquisition of Langpan Mining Co Proprietary Limited ("Langpan") on 27 July 2022. The activities of the Group are undertaken through the Company and its principal subsidiaries. Mantengu is a resource investment company which is focused on unlocking new value in the mining, mining services and energy sectors. Mantengu intends to be a "Next Generation" conglomerate because it's funding, empowerment and business models transcend the typical extractive models by creating and introducing new growth into financially unchartered parts of South Africa.

Langpan is a mining company that owns the chrome processing plant and its 100% held subsidiary, Memor Mining Proprietary Limited ("Memor"). The mining rights are registered in Memor and are in relation to the chrome and platinum mining and associated beneficiation operations on the Langpan 371KQ farm in Limpopo Province.

The Board has satisfied itself that the Group is in a position to continue as a going concern and that it has access to sufficient funds and borrowing facilities to meet its foreseeable cash requirements.

2. Review of financial results and activities

The Group's business and operations, and the results thereof, are clearly reflected in the attached consolidated and separate financial statements.

3. Share capital

Refer to note 12 of the consolidated and separate financial statements for detail of the movement in authorised and issued share capital.

4. Dividends

No dividends were declared or paid to shareholders during the year.

5. Directorate

Directors	Office	Designation	Changes
MJ Miller	Chief Executive Officer	Executive	Appointed 2 March 2023
M Naidoo	Chief Financial Officer	Executive	Appointed 2 March 2023
MM Movundlela	Chief Executive Officer	Executive	Resigned 28 February 2023
TA Makgolane	Financial Director	Executive	Resigned 31 January 2023
J Tshikundamalema	Other	Independent Non-executive	Appointed 25 April 2022
A Collins	Chairman	Non-executive	Appointed 1 February 2023
VS Madlela	Other	Lead Independent Non-executive	

Michael Millers' appointment as Chief Executive Officer followed the resignation of Mahlatsi Movundlela as Chief Executive Officer on 28 February 2023. Michael Millers' change in function from Financial Director to Chief Executive Officer on 2 March 2023 followed his change in function from non-executive Chairman to Financial Director on 1 February 2023.

Following the resignation of Alistair Collins as an independent non-executive director with effect from 3 November 2021, on 25 April 2022, the Board appointed Jonas Tshikundamalema as an independent non-executive director. Alistair Collins was reappointed to the Board as Chairman on 1 February 2023.

Additionally, Board subcommittees were also reconstituted as follows:

- Combined Audit and Risk Committee: Vincent Madlela (Chair), A Collins and Jonas Tshikundamalema.
- Combined Remuneration and Nomination Committee: Alistair Collins, Jonas Tshikundamalema and Vincent Madlela.
- Combined Social and Ethics Committee: Alistair Collins, Jonas Tshikundamalema (Chair) and Vincent Madlela.

The Group continues to evaluate the Board and its subcommittees and will be looking to include additional independent members to the Board to strengthen the governance structure of the Company.

Directors' Report

6. Secretary

The company secretary is Neil Esterhuysen & Associates Incorporated.

Postal address: PO Box 814
Irene
0062

Business address: Units 23 & 24, Norma Jean Square
244 Jean Ave
Centurion
0157

7. Auditors

HLB CMA South Africa Inc. were appointed as auditors for the company and its subsidiaries with effect from 2 March 2023.

8. Directors' interests in shares

The interest of the directors (including directors who have resigned during the reporting period) in the Company's share capital at year end and at the date of approval of these statements are as follows:

	Beneficial				
	Direct	Indirect	Number of shares 2023	Number of shares 2022	Shareholding
A Collins[1]	-	16 876 750	16 876 750	-	11 %
MJ Miller[2]	-	22 133 375	22 133 375	-	14 %
J Tshikundamalema[3]	-	999 625	999 625	-	1 %
	-	**40 009 750**	**40 009 750**	**-**	**26 %**

Notes

1. Held by the Alistair Collins Family Trust
2. Held by Disruption Capital Proprietary Limited, which is wholly-owned by MJ Miller
3. Held by Putisolve Proprietary Limited, which is wholly-owned by J Tshikundamalema

9. Litigation and special resolutions

Save as set out below, there was no litigation brought against the Group for the period ended 28 February 2023. Langpan previously reported that there was a legal dispute with its mining contractor, ASB Minerals Proprietary Limited ("ASB") regarding a fraudulent R18 million mining services claim. Langpan has investigated the matter fully and has obtained a legal opinion which concludes that the Mantengu Group faces no legal risk and that the ASB claim is nothing more than a ruse. As a result, Langpan has laid criminal charges against the relevant ASB directors and stakeholders with the South African Police Services and has lodged a R69 million counter claim. Taking these facts into account, management considers the ASB matter resolved and that no claim or consideration for contingent liability is warranted. There has been no communication with ASB for a period greater than 24 months.

Other than for the special resolutions approved in the 28 February 2022 Annual General Meeting below, there were no new resolutions that have been tabled within the Mantengu Group.

- Special resolution number 1 - General approval to acquire securities
- Special resolution number 2 - Approval of non-executive Directors' fees
- Special resolution number 3 - Financial assistance for the subscription of securities
- Special resolution number 4 - Financial assistance to related and inter-related companies

Directors' Report

10. Going concern

At 28 February 2023, the Group had accumulated losses totaling R20.5 million but the Group's total assets of R252.5 million exceeded its liabilities of R173.8 million. For the period ended 28 February 2023, the Company experienced a net loss after tax of R5.8 million (28 February 2022: R7.8 million) and the Company's total assets of R551.3 million exceeded its liabilities of R22.3 million.

The Group and Company financial results and financial position for the period ended 28 February 2023 was anticipated due to the following reasons:

1. The Company completed the acquisition of Langpan on 27 July 2022 for a consideration of R550 million.
2. The Company was non-operational thus incurred primarily operational and listings related costs.
3. Given that the Company was suspended on 26 July 2016, the Company has incurred significant historical losses related to maintaining the listing, catching up of outstanding financial compliance and canvassing the market for investment opportunities, thus the significant accumulated losses.
4. As at 28 February 2023, the Group has access to significant funding to deploy throughout its operations.

Given the fact that the Company has been fully reinstated onto the JSE, the acquisition of Langpan completed, the Group being fully funded and the successful commissioning of the Chrome Plant, the Board is confident that the Group and Company will have sufficient resources to operate as a going concern. As a result of these facts, the Board believes that it is appropriate to prepare the results on a going concern basis. Accordingly, the audited results do not include the adjustments that would result if the Group or Company were unable to continue as a going concern.

11. Business combinations

The Board strongly believes in total transparency to shareholders, investors, capital markets and the general public and have therefore provided the below disclosure which would have resulted had we applied normal acquisition principles under IFRS 3.

	Reverse takeover accounting	**Normal acquisition**	**Differences**
Revenue	4 492	330	4 162
Cost of sales	(5 503)	(2 092)	(3 411)
Gross loss	**(1 011)**	**(1 762)**	**751**
Other income	5 617	5 617	-
Depreciation	(243)	(202)	(41)
Directors' remuneration	(3 478)	(5 103)	1 625
Employee benefits	(240)	(378)	138
Administrative expenses	(9 395)	(6 757)	(2 639)
Other expenses	(7 041)	(7 578)	538
Profit (loss) before taxation	**(15 791)**	**(16 163)**	**(372)**
Finance costs	(6 311)	(6 311)	-
Profit (loss) before taxation	**(22 102)**	**(22 474)**	**(372)**
Taxation	5 196	5 196	-
Profit (loss) after taxation	**(16 906)**	**(17 278)**	**(372)**

Directors' Report

11. Business combinations (continued)

Non-current assets	Reverse takeover accounting	Normal acquisition	Difference
Property, plant and equipment	167 084	860 826	(693 742)
Goodwill	39 195	-	39 195
Right-of-use assets	8 083	8 083	-
Deferred taxation	5 196	5 196	-
Environmental Rehabilitation funds	854	854	-
	220 412	**874 959**	**(654 547)**
Current assets			
Cash and cash equivalents	17 976	17 976	-
Prepayments	4 899	4 899	-
Trade and other receivables	9 258	9 258	-
	32 133	**32 133**	**-**
Total Assets	**252 545**	**907 092**	**(654 547)**
Equity and liabilities			
Capital and Reserves			
Share capital	99 189	650 020	(550 831)
Accumulated loss	(20 473)	(129 645)	109 173
	78 716	**520 375**	**(441 659)**
Non-current liabilities			
Deferred taxation	-	212 924	(212 924)
Lease liability	8 053	8 053	-
Other financial liabilities	77 368	77 368	-
	85 421	**298 345**	**(212 924)**
Current liabilities			
Trade and other payables	17 600	17 600	-
Lease liability	41	41	-
Other financial liabilities	69 254	69 254	-
Current taxation	1 513	1 478	35
	88 408	**88 372**	**35**
Total Assets	**252 545**	**907 092**	**(654 547)**

12. Events after the reporting period

On 1 March 2023, the Board took the decision to terminate the services of Ngubane & Co (JHB) Inc. ("Ngubane") as the Company's external auditor with immediate effect. On 2 March 2023, the Board took the decision to appoint HLB CMA South Africa Inc. ("HLB CMA") as the Company's external auditor.

Following the resignation of Mahlatsi Movundlela as Chief Executive Officer on 28 February 2023, Michael Miller was appointed as the Company's Chief Executive Officer and Magen Naidoo was appointed as Chief Financial Officer (replacing Michael Miller as Financial Director), respectively with effect from 2 March 2023.

On 31 March 2023, the Company consolidated its Authorised and Issued Share Capital on a 1000:1 basis. The result of the consolidation was that the Authorised and Issued Share Capital was reduced to 155,000,000 and 153,362,857, respectively. This was done to simplify and neaten the legacy balance sheet and share register effects of the acquisition of Langpan on 27 July 2022. On 30 May 2023, the Company released an announcement on SENS outlining the commissioning of the first Langpan chrome beneficiation plant ("Chrome Plant"). The successful commissioning of the Chrome Plant has enhanced the production capacity of the plant to a throughput of 36,000 tonnes per month or 100 tonnes per hour. The Chrome Plant is expected to produce approximately 18,000 tonnes of chrome concentrate, with a chrome content of between 42% and 44%, per month.

Statement of Financial Position as at 28 February 2023

		Group		Company	
	Notes	2023 R '000	2022 R '000	2023 R '000	2022 R '000
Assets					
Non-Current Assets					
Property, plant and equipment	3	167 084	112 497	209	-
Right-of-use assets	4	8 083	-	-	-
Goodwill	6	39 195	-	-	-
Investment in subsidiary	7	-	-	550 000	-
Deferred taxation	15	5 196	-	-	-
Environmental rehabilitation funds	8	854	976	-	-
		220 412	**113 473**	**550 209**	**-**
Current Assets					
Related party loan		-	1 471	-	-
Trade and other receivables	9	9 258	2 682	-	57
Prepayments	10	4 899	-	-	-
Cash and cash equivalents	11	17 976	192	1 136	12
		32 133	**4 345**	**1 136**	**69**
Total Assets		**252 545**	**117 818**	**551 345**	**69**
Equity and Liabilities					
Equity					
Share capital	12	99 189	50 320	650 020	85 020
Accumulated loss		(20 473)	(3 567)	(120 984)	(115 223)
		78 716	**46 753**	**529 036**	**(30 203)**
Liabilities					
Non-Current Liabilities					
Other financial liabilities	14	77 368	-	-	-
Lease liability	5	8 053	-	-	-
		85 421	**-**	**-**	**-**
Current Liabilities					
Loan from group company	13	-	-	3 173	1 471
Other financial liabilities	14	69 254	60 693	12 464	21 408
Trade and other payables	16	17 600	9 004	6 672	7 393
Lease liability	5	41	-	-	-
Current taxation		1 513	1 368	-	-
		88 408	**71 065**	**22 309**	**30 272**
Total Liabilities		**173 829**	**71 065**	**22 309**	**30 272**
Total Equity and Liabilities		**252 545**	**117 818**	**551 345**	**69**

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
	Notes	2023 R '000	2022 R '000	2023 R '000	2022 R '000
Revenue		4 492	-	-	-
Cost of sales		(5 503)	(5 686)	-	-
Gross loss		**(1 011)**	**(5 686)**	**-**	**-**
Other income	17	5 617	22 968	6 094	758
Administrative expenses		(9 395)	(5 034)	(4 298)	-
Depreciation		(243)	(84)	(5)	-
Directors remuneration	26	(3 478)	(1 560)	(4 653)	(2 954)
Employee benefits		(240)	-	(378)	-
Other operating expenses		(7 041)	(2 057)	(685)	(2 637)
Operating (loss) profit	18	**(15 791)**	**8 547**	**(3 925)**	**(4 833)**
Finance costs	19	(6 311)	(383)	(1 836)	(3 004)
(Loss) profit before taxation		**(22 102)**	**8 164**	**(5 761)**	**(7 837)**
Taxation	20	5 196	(514)	-	-
(Loss) profit for the year		**(16 906)**	**7 650**	**(5 761)**	**(7 837)**
Other comprehensive income		-	-	-	-
Total comprehensive (loss) income for the year		**(16 906)**	**7 650**	**(5 761)**	**(7 837)**
Earnings per share					
Basic (loss) earnings per share (cents)	25	(12)	6	(7)	(908)
Diluted basic (loss) earnings per share (cents)	25	(12)	6	(7)	(908)

Statement of Changes in Equity

	Share capital R '000	Accumulated loss R '000	Total equity R '000
Group			
Balance at 01 March 2021	**48 391**	**(11 218)**	**37 173**
Profit for the year	-	7 650	7 650
Total comprehensive income for the year	**-**	**7 650**	**7 650**
Issue of shares	1 929	-	1 929
Balance at 01 March 2022	**50 320**	**(3 567)**	**46 753**
Loss for the year	-	(16 906)	(16 906)
Total comprehensive loss for the year	**-**	**(16 906)**	**(16 906)**
Issue of shares	28 688	-	28 688
Acquisition of Langpan	5 181	-	5 181
Rights offer	15 000	-	15 000
Balance at 28 February 2023	**99 189**	**(20 473)**	**78 716**
Note	12		
Company			
Balance at 01 March 2021	**85 020**	**(107 386)**	**(22 366)**
Loss for the year	-	(7 837)	(7 837)
Total comprehensive loss for the year	**-**	**(7 837)**	**(7 837)**
Balance at 01 March 2022	**85 020**	**(115 223)**	**(30 203)**
Loss for the year	-	(5 761)	(5 761)
Total comprehensive loss for the year	**-**	**(5 761)**	**(5 761)**
Acquisition of Langpan	550 000	-	550 000
Rights offer	15 000	-	15 000
Balance at 28 February 2023	**650 020**	**(120 984)**	**529 036**
Note	12		

Statement of Cash Flows

		Group		Company	
	Notes	2023 R '000	2022 R '000	2023 R '000	2022 R '000
Cash flows from operating activities					
Cash paid to suppliers and employees		(23 362)	10 240	(4 584)	(2 588)
Cash used in operations	21	(23 362)	10 240	(4 584)	(2 588)
Finance costs		(6 458)	-	(1 836)	-
Net cash from operating activities		**(29 820)**	**10 240**	**(6 420)**	**(2 588)**
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(21 991)	(23)	(214)	-
Short term loan payments received		-	-	-	1 125
Environmental rehabilitation funds		122	-	-	-
Net cash from investing activities		**(21 869)**	**(23)**	**(214)**	**1 125**
Cash flows from financing activities					
Proceeds from loans		-	(1 702)	1 702	1 471
Proceeds from other financial liabilities		66 252	(8 327)	2 710	-
Repayment of lease liabilities		(126)	-	-	-
Proceeds from rights issue		3 346	-	3 346	-
Net cash from financing activities		**69 472**	**(10 029)**	**7 758**	**1 471**
Total cash movement for the year		**17 783**	**188**	**1 124**	**8**
Cash and cash equivalents at the beginning of the year		192	4	12	4
Cash and cash equivalents acquired on reverse acquisition		1	-	-	-
Total cash and cash equivalents at end of the year	11	**17 976**	**192**	**1 136**	**12**

Accounting Policies

1. Basis of preparation of financial statements

The financial statements have been prepared on the going concern and historical cost basis in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncement as issued by the Financial Reporting Standards Council, International Financial Reporting Interpretations Committee (IFRIC) and the requirements of the South African Companies Act and the JSE Listings Requirements. The directors are satisfied that the Group and Company will be able to settle its obligations and realise its assets as measured in terms of IFRS as applicable to a going concern.

No segment disclosure has been provided in accordance with IFRS 8 as the Group has only one segment. The Group has only one asset that mines and processes chrome ore to produce chrome concentrate.

1.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

1.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date;
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Accounting Policies

1.2 Business combinations continued

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

1.3 Goodwill

Goodwill is initially recognised and measured as set out above. Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.4 Property, plant and equipment

Plant and equipment, computer equipment and motor vehicles are stated at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Plant and equipment - 5 to 15 years
Computer equipment - 3 years
Motor vehicles - 5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work in progress are assets in the course of construction for production and supply purposes, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

Accounting Policies

1.5 Impairment of property, plant and equipment

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

1.6 Mineral reserves

Mineral reserves are recognised as assets when it is probable that future economic benefits will be generated through their extraction or production. The reserves were recognised at their fair value on acquisition date and do not include any other costs. The mineral reserves were measures based on their quantity and quality using reliable geological and technical information. A competent persons report (CPR) was performed by Bara Consulting (Pty) Ltd in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) 2016 Edition and The South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code) 2016 Edition.

Mineral reserves are amortised based on the units of production method as this reflects the pattern of extraction. The amortisation expense is recognised in the statement of comprehensive income and is calculated based on the volume or quantity of minerals extracted. Mineral reserves are subjected to impairment test whenever indicators of impairment exist.

1.7 Investment in subsidiary

Investments in subsidiaries are measured at cost less accumulated impairment losses.

1.8 Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

Accounting Policies

1.9 Leases

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented. The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Accounting Policies

1.10 Revenue recognition

The Group recognises revenue from the sale of chrome concentrate chips, lump or run of mine. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer. At year end the Group had not recognised any revenue from the sale of chrome concentrate. The Group's chrome processing plant was commissioned in May 2023 and will produce revenue from the sale of chrome concentrate. Up to year end, the Group engaged in ad hoc sales from the buying and selling of chrome concentrate when the opportunity presented itself. The recognition of this ad hoc revenue was on the same basis as would be any sale of chrome concentrate.

1.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.12 Tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Accounting Policies

1.12 Tax (continued)

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.13 Earnings per share

The group presents basic and diluted earnings per share (EPS) and basic and diluted headline earnings per share (HEPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of Mantengu by the weighted average number of ordinary shares outstanding during the year.

HEPS is calculated by adjusting the profit or loss attributable to ordinary shareholders of Mantengu for all separately identifiable remeasurements, for example, gains and losses arising on disposal of assets, net of related tax (both current and deferred) and related non-controlling interest, other than remeasurements specifically included in headline earnings. The result is divided by the weighted average number of ordinary shares outstanding during the year. Diluted EPS and HEPS are determined by adjusting the basic and headline earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

1.14 Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.14.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Accounting Policies

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met.
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e., assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired. Interest income is recognised in profit or loss and is included in the "finance costs" line item.

A financial asset is held for trading if either:

- It has been acquired principally for the purpose of selling it in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking.
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Accounting Policies

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL..

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

1.14.2 Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

Accounting Policies

Compound instruments

The component parts of convertible loan notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL. A financial liability is classified as held for trading if either:

- It has been acquired principally for the purpose of repurchasing it in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking.
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss. However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Accounting Policies

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

1.15 Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

1.15.1 Critical judgements in applying the Group's accounting policies

The following are the critical judgements, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

The Group has exercised judgement and concluded that Mantengu was a business at the time of the Langpan transaction in accordance with IFRS 3 paragraph B8 and B12B. Being and investment holding Company, Mantengu broadly has two processes:

(1) Process of capital raising and securing of funding to position the Company to be able to acquire investments.
(2) Process of seeking out suitable targets to acquire as investments to provide a return to shareholders.

The inputs into the above processes are as follows:

(1) A suitably skilled Board of Directors to be able to execute the above processes.
(2) Adequate governance throughout the Group to be able to attract suitable funders and capital providers.
(3) Compliance with laws and regulations to be able to attract suitable funders and capital providers.
(4) Ongoing maintenance of JSE Listing to use as a platform to attract funders and capital providers and demonstrate the listing as a positive to a potential target.

Accounting Policies

1.15 Critical accounting judgements and key sources of estimation uncertainty (continued)

1.15.2 Key sources of estimation uncertainty

As the group had not begun production or trading at year end, there are no key sources of estimation uncertainty concerning the future, at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Consolidated And Separate Financial Statements

2. New Standards and Interpretations

At the date of approval of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the entity.

Management anticipates that all of the pronouncements will be adopted in the entity's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the entity's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the entity's annual financial statements.

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Impact:
• Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	The impact of the amendments are not material.
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	The impact of the amendments are not material.
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 January 2022	The impact of the amendments are not material.
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	The impact of the amendments are not material.

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the Group's accounting periods beginning on or after 01 March 2023 or later periods.

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	Unlikely there will be a material impact
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact

Notes to the Consolidated And Separate Financial Statements

3. Property, plant and equipment

Group	2023 R'000			2022 R'000		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Motor vehicles	459	(169)	290	459	(76)	383
Computer equipment	250	(36)	214	23	(10)	13
Plant and equipment	2	(1)	1	17 236	-	17 236
Capital - Work in progress	71 714	-	71 714	-	-	-
Mineral reserve	94 865	-	94 865	94 865	-	94 865
Total	**167 290**	**(206)**	**167 084**	**112 583**	**(86)**	**112 497**

Company	2023 R'000			2022 R'000		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Computer equipment	228	(19)	209	13	(13)	-

Reconciliation of property, plant and equipment - Group - 2023 - R'000

	Opening balance	**Additions**	**Transfers**	**Depreciation**	**Total**
Motor vehicles	383	-	-	(93)	290
Computer equipment	13	214	-	(13)	214
Plant and equipment	17 236	-	(17 235)	-	1
Capital - Work in progress	-	54 479	17 235	-	71 714
Mineral reserve	94 865	-	-	-	94 865
	112 497	**54 693**	**-**	**(106)**	**167 084**

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	**Additions**	**Depreciation**	**Total**
Motor vehicles	-	459	(76)	383
Computer equipment	-	23	(10)	13
Plant and equipment	-	17 236	-	17 236
Mineral reserve	-	94 865	-	94 865
	-	**112 583**	**(86)**	**112 497**

Reconciliation of property, plant and equipment - Company - 2023 - R'000

	Opening balance	**Additions**	**Depreciation**	**Total**
Computer equipment	-	214	(5)	209

3. Property, plant and equipment (continued)

Langpan capex build

During the year, Langpan undertook a major project to refurbish the old LG processing plant as well as commission the build of two new separate pieces of plant, namely a JIG processing plant and an MG processing plant. At year end, Langpan had spent R54.5 million on the build and refurbishments. At the date of approval of these AFS, this capex spend has increased to R79.3 million. We anticipate incurring a further R65.8 million to complete the build of the two new pieces of plant and expect these to be in production later this calendar year.

R37.2 million of the capex spend was funded as part of a loan agreement with the Industrial Development Corporation of South Africa Limited (IDC) and as such, legal title to these assets remains with the IDC until paid off by Langpan. The duration of the loan agreement is for a period of 5 years and commenced late in calendar 2022. Refer to note 14.

Fair value of mineral reserve

On 27 July 2022, Mantengu acquired 100 per cent of the issued share capital of Langpan, obtaining control. Langpan mines and processes chrome ore to produce chrome concentrate, with Platinum Group Metals ("PGMs") as a by-product. A Competent Persons Report (CPR) was performed by Bara Consulting (Pty) Ltd in accordance with (1) The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) 2016 Edition and (2) The South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code) 2016 Edition. The total reserves indicated in the CPR are 2.17 million tonnes and the value indicated was R851 million.

The Group was unable to record the mineral reserve at the fair value of R851 million on acquisition. This is because the mineral reserve had to be recorded at the pre-combination value of R94 865 012 in accordance with IFRS 3, paragraph B22(a) because of the Langpan acquisition being classified as a reverse takeover in accordance with IFRS 3, paragraph B19. The Group does not consider the value of the mineral reserve recorded in the statement of financial position of R94 865 012 to be indicative of the value of the 2.17 million tonnes of ore at Langpan. The fair value is R851 million.

The mineral reserve will be amortised on a units of production basis over the useful life of the mine.

4. Right-of-use assets

Group	2023 R'000			2022 R'000		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Surface	6 165	(34)	6 131	-	-	-
Road	2 055	(103)	1 952	-	-	-
Total	**8 220**	**(137)**	**8 083**	**-**	**-**	**-**

Reconciliation of right-of-use assets - Group - 2023 - R'000

	Opening balance	**Additions**	**Depreciation**	**Total**
Surface	-	6 165	(34)	6 131
Road	-	2 055	(103)	1 952
	-	**8 220**	**(137)**	**8 083**

Langpan leases a farm road and land surface area for the purpose of providing transportation routes for mining and excavation materials related to the mining activities and for the construction and maintenance of mining infrastructure and the conducting of mining and prospecting operations thereon respectively.

The right-of-use asset is depreciated over the lease term of 10 years.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

5. Lease liability

Future lease payments at 28 February 2023 are as follows:

R'000	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	Total
Road	211	334	354	375	398	2 001	3 673
Surface	909	964	1 020	1 083	1 148	6 660	11 784
Lease payments	**1 120**	**1 298**	**1 374**	**1 458**	**1 546**	**8 661**	**15 457**
Unearned interest	**1 079**	**1 058**	**1 019**	**963**	**888**	**2 357**	**7 363**
Net present values (NPV)	**41**	**240**	**357**	**495**	**658**	**6 304**	**8 094**

	Group 2023	Group 2022	Company 2023	Company 2022
Non-current liabilities	8 053	-	-	-
Current liabilities	41	-	-	-
	8 094	**-**	**-**	**-**

6. Goodwill

Group	2023 R'000			2022 R'000		
	Cost	**Accumulated impairment**	**Carrying value**	**Cost**	**Accumulated impairment**	**Carrying value**
Goodwill	39 195	-	39 195	-	-	-

Reconciliation of goodwill - Group - 2023

	Opening balance	Recognised on reverse takeover	Total
Goodwill	-	39 195	39 195

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. As the Langpan transaction was concluded on 27 July 2022, the Group is still within the first year of the acquisition. The Group performed an impairment test which indicated that no impairment was necessary. Refer to note 22 for the calculation of goodwill.

7. Investment in subsidiary

Name of company	% holding 2023	% holding 2022	Carrying amount 2023	Carrying amount 2022
Langpan Mining Co Proprietary Limited	100 %	- %	550 000	-

During the year the Group acquired a 100% interest in Langpan Mining Co Proprietary Limited. Langpan in turn holds 100% of the issued share capital of its subsidiary, Memor Mining Proprietary Limited.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

8. Environmental rehabilitation funds

Rehabilitation funds	854	976	-	-

The rehabilitation funds have been pledged to Constantia Insurance Company Limited as security for the issue of a rehabilitation guarantee to the Department of Mineral Resources (South Africa) in support of the mining license.

Constantia Insurance Company Limited has issued a guarantee of R2 847 278 for the purpose of executing the environmental management program in the event that the company is not in the financial position to rehabilitate in accordance with the Mineral and Petroleum Development Act 28 of 2002.

9. Trade and other receivables

VAT	9 258	2 682	-	57
Total trade and other receivables	**9 258**	**2 682**	**-**	**57**

10. Prepayments

Insurance	4 899	-	-	-

The prepayment relates to insurance payments made in advance.

11. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	17 976	192	1 136	12

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

12. Share capital

	2023	2022	2023	2022
Authorised		**Number of shares**		
Ordinary shares	155 000 000 000	1 000 000 000	155 000 000 000	1 000 000 000

	2023 R '000	**2022 R '000**	**2023 R'000**	**2022 R'000**
Issued				
Ordinary shares	99 189	50 320	650 020	85 020

	2023	**2022**	**2023**	**2022**
Movement for the year	**Number of shares**		**Number of shares**	
Opening balance	863 053 100	863 053 000	863 053 100	863 053 000
Cancelled shares	(196 500)	-	(196 500)	-
Acquisition of Langpan	137 500 000 000	-	137 500 000 000	-
Rights offer	15 000 000 302	-	15 000 000 302	-
Closing balance	**153 362 856 902**	**863 053 000**	**153 362 856 902**	**863 053 000**

Movement for the year	**2023 R'000**	**2022 R'000**	**2023 R'000**	**2022 R'000**
Opening balance	50 320	48 391	85 020	85 020
Issued shares	28 688	1 929	-	-
Acquisition of Langpan	5 181	-	550 000	-
Rights offer	15 000	-	15 000	-
Closing balance	**99 189**	**50 320**	**650 020**	**85 020**

13. Loan from group company

Langpan Mining Co Proprietary Limited	-	-	3 173	1 471

The loan bears no interest and has no fixed terms of repayment.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000
14. Other financial liabilities				
Held at amortised cost				
The Gamsy Family Trust	9 171	-	9 171	14 842
Gillian Gamsy	686	614	-	-
Growth Equities Proprietary Limited	2 103	-	2 103	3 843
POCOT Trust	498	-	498	1 128
Opsisolve Investments Proprietary Limited	200	-	200	533
KAG Trust	100	-	100	222
Douglas Welsh	94	-	94	436
JS Geyer	79	-	79	202
Parkview Trust	79	-	79	202
These loans are unsecured and bear interest at the prime rate.				
Sikhova Importers	-	2 665	-	-
Plane Tree Capital	-	3 068	-	-
Palugen Proprietary Limited	318	318	-	-
United Minerals and Energy Proprietary Limited	15	15	-	-
Scott Gaskell	91	91	-	-
Metorient Proprietary Limited	14 000	27 749	-	-
Disruption Capital	1 246	-	-	-
Kianalily Proprietary Limited	165	-	140	-
Piet Human	1 571	1 571	-	-
Simeka Holdings Proprietary Limited	9 820	9 820	-	-
Andru Mining Proprietary Limited	-	12 275	-	-
Liability relating to Memor Acquisition	2 100	2 100	-	-
These loans are unsecured and bear no interest.				
RWE Supply On 14 April, the Group entered into a contract with RWE Supply & Trading GMBH to deliver 240 000 metric tonnes of chrome concentrate over a period of 2 years. The amount bears interest at the secured overnight financing rate plus 5% and is repayable over the duration of 2 years beginning 31 July 2023.	64 435	-	-	-
IDC loan The loan with the Industrial Development Corporation of South Africa Limited (IDC) and is secured by the assets that formed part of the agreement. Legal title to these assets remains with the IDC until paid off by Langpan. The loan bears interest at prime plus 2.8%. The loan is repayable in monthly instalments over the 5-year period which commenced late in calendar 2022.	39 513	-	-	-
Nedbank vehicle loan This relates to an instalment sale agreement over a period of 5 years. The loan bears interest at 12.85%.	338	407	-	-
	146 622	**60 693**	**12 464**	**21 408**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

14. Other financial liabilities (continued)

Split between non-current and current portions

Non-current liabilities	77 368	-	-	-
Current liabilities	69 254	60 693	12 464	21 408
	146 622	**60 693**	**12 464**	**21 408**

As a condition to the acquisition of Memor by Langpan an agreement was reached with the creditors to quantify and freeze their claims and interest against Memor and allow Langpan to fully operate the asset with proceeds from any sale of chrome being dedicated towards settling the amounts owed to such creditors. The creditors of Memor party to the compromise agreement are Andru Proprietary Limited, Metorient Proprietary Limited, Piet Human and Simeka Holdings Proprietary Limited.

15. Deferred taxation

Deferred taxation asset

Temporary differences at the end of the year attributable to the following items:

Prepayments	(1 309)	-	-	-
Income received in advance	5 393	-	-	-
Assessed loss	1 112	-	-	-
Total deferred taxation asset	**5 196**	**-**	**-**	**-**

Reconciliation of deferred taxation asset

At beginning of year	-	-	-	-
Charged to profit or loss	5 196	-	-	-
	5 196	**-**	**-**	**-**

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred taxation balances (after offset) for financial reporting purposes:

Deferred tax liability	(1 309)	-	-	-
Deferred tax asset	6 505	-	-	-
Total net deferred tax asset	**5 196**	**-**	**-**	**-**

16. Trade and other payables

Financial instruments:				
Trade payables	11 943	7 186	2 509	2 914
Employees tax	602	-	602	731
Accrual for employees	-	-	-	24
Accrual for directors remuneration	2 855	-	2 855	3 724
Non-financial instruments:				
VAT	2 200	1 818	706	-
	17 600	**9 004**	**6 672**	**7 393**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

16. Trade and other payables (continued)

Fair value of trade and other payables

All amounts are short-term and the carrying value of trade and other payables is considered a reasonable approximation of fair value.

17. Other income

Management fees	2 500	-	6 000	-
Discount received	-	-	-	718
Sale of spares and other items	2 930	-	-	-
Sundry income	151	-	58	40
Other	36	22 968	36	-
	5 617	**22 968**	**6 094**	**758**

18. Operating (loss) profit

Operating (loss) profit for the year is stated after charging (crediting) the following, amongst others:

Rent

Surface rights	750	1 164	-	-
Access road	110	-	-	-
	860	**1 164**	**-**	**-**

Depreciation				
Depreciation of property, plant and equipment	106	86	5	-
Depreciation of right-of-use assets	137	-	-	-
Total depreciation and amortisation	**243**	**86**	**5**	**-**

Administration and other operating costs

Advisory and Professional fees	7 999	4 207	3 137	1 558
Audit fees	1 535	834	949	615
Investor services	502	-	497	236
Other expenses	3 142	2 053	925	174
Remuneration, other than to directors	240	-	378	54
SARS penalties	475	-	240	-
	13 893	**7 094**	**6 126**	**2 637**

The advisory and professional fees relates to consulting fees, accounting and audit fees, legal fees and technical fees related to the listing.

R0.9 million relates to rent paid for surface rights and road access. The rental agreements were initially on a long-term basis but due to the site not being operational, it was agreed with the the parties to work on a month-to-month basis until operations resume. New Agreements were subsequently signed in January 2023.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

19. Finance costs

Vehicle loan	21	36	-	-
Lease liabilities	181	-	-	-
SARS	559	-	525	-
Other financial liabilities	5 252	347	1 311	3 004
Other interest paid	298	-	-	-
Total finance costs	**6 311**	**383**	**1 836**	**3 004**

20. Taxation

Reconciliation of the tax expense

Reconciliation between accounting loss and tax expense.

Accounting loss	(22 102)	8 164	(5 761)	(7 837)
Tax at the applicable tax rate of 28%	(6 189)	2 286	(1 613)	(2 194)
Tax effect of adjustments on taxable income				
Disallowed expenses	700	-	514	-
Deferred tax asset not raised	293	-	1 099	2 194
Tax losses utilised	-	(1 772)	-	-
	(5 196)	**514**	**-**	**-**

No provision has been made for 2023 tax as the company has no taxable income. The assessed loss carried forward is R23 192 037 (2022: R14 433 896). The Group has unused tax losses of R34 103 298.

21. Cash used in operations

(Loss) profit before taxation	(22 102)	8 164	(5 761)	(7 837)
Adjustments for:				
Depreciation property, plant and equipment	106	84	5	-
Depreciation right-of-use assets	137	-	-	-
Finance costs	6 311	383	1 836	3 004
Forex adjustment	4 437	-	-	-
Other income	-	-	-	(40)
Changes in working capital:				
Trade and other receivables	(5 727)	(7)	57	259
Prepayments	(4 899)	-	-	-
Trade and other payables	(1 625)	1 616	(721)	2 026
	(23 362)	**10 240**	**(4 584)**	**(2 588)**

Notes to the Consolidated And Separate Financial Statements

22. Business combinations

On 27 July 2022, Mantengu acquired 100 per cent of the issued share capital of Langpan, obtaining control. Langpan mines and processes chrome ore to produce chrome concentrate, with Platinum Group Metals ("PGMs") as a by-product. Langpan, through its wholly-owned subsidiary, Memor Mining (Pty) Ltd, indirectly owns the mining right in relation to the chrome and PGM mining and associated beneficiation operations, respectively, on Langpan farm. The aquisition of Langpan constitutes a reverse takeover in accordance with IFRS 3, paragraph B19. A reverse acquisition occurs when the entity that issues securities (the legal acquirer) is identified as the acquiree for accounting purposes. The entity whose equity interests are acquired (the legal acquiree) must be the acquirer for accounting purposes for the transaction. This means that although Mantengu acquired Langpan, the transaction had to be accounted for as Langpan acquiring Mantengu. Langpan therefore needed to fair value the assets and liabilities of Mantengu at acquisition date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed of Mantengu are as set out below:

Trade and other receivables	615 418	-	-	-
Cash and cash equivalents	1 196	-	-	-
Other financial liabilities	(24 410 437)	-	-	-
Trade and other payables	(10 220 104)	-	-	-
Total identifiable assets acquired and liabilities assumed	**(34 013 927)**	**-**	**-**	**-**
Goodwill	39 194 718	-	-	-
Total consideration	**5 180 791**	**-**	**-**	**-**
Satisfied by:				
Cash	-	-	-	-
Deemed equity instruments that would have had to be transferred	5 180 791	-	-	-
Deemed consideration transferred	**5 180 791**	**-**	**-**	**-**

IFRS 3, paragraph B20 requires that the acquisition date fair value of the consideration transferred by the accounting acquirer (Langpan) for its interest in the accounting acquiree (Mantengu) is based on the number of equity interests the legal subsidiary (Langpan) would have had to issue to give the owners of the legal parent (Mantengu) the same percentage equity interest in the combined entity that results from the reverse acquisition. This application results in the following calculation of the deemed consideration:

CPR valuation of Langpan	851 000 000	-	-	-
Cost of mineral reserve already on books of Langpan at 31 July 2022	94 865 012	-	-	-
Langpan equity at 31 July 2022	74 439 680	-	-	-
Deemed value of Langpan equity at 31 July 2022	**830 574 668**	**-**	**-**	**-**
Number of Mantengu shares issued to Langpan shareholders as consideration (99.38%)	137 500 000 000	-	-	-
Number of shares held by Mantengu shareholders prior to Langpan acquisition (0.62%)	863 053 100	-	-	-
	138 363 053 100	**-**	**-**	**-**
Deemded cost of Mantengu investment in Langpan (R830 574 668 multiplied by 0.62%)	5 180 791	-	-	-
Net cash flow arising on acquisition:				
Cash consideration	-	-	-	-
Less: cash and cash equivalent balances acquired	1 196	-	-	-
	1 196	**-**	**-**	**-**

22. Business combinations (continued)

137.5 billion ordinary shares were issued as the consideration paid of R550 million for the acquisition of Langpan.

The acquisition by Mantengu of a 100% shareholding in Langpan was considered to be a related party acquisition. At the time of the acquisition, Mike Miller and Alistair Collins were current and former Directors of Mantengu, respectively, and were indirectly shareholders in Langpan and hence, they were considered to be Related Parties in terms of paragraph 10.1(b)(ii) of the Listings Requirements. Alistair Collins was subsequently appointed as the non-executive Chairman of the Board with effect from 1 February 2023. Mike Miller is now the Chief Executive Officer having been appointed with effect from 2 March 2023.

In terms of paragraph 10.4(f) of the Listings Requirements, Mantengu obtained an opinion from an independent expert on the acquisition and this opinion was included as annexure 4 to the Circular to Mantengu shareholders on the acquisition.

Acquisition-related costs amount to R4.7 million. These consist of:

(1) Merchantec Capital - Transaction Sponsor and Designated Adviser - R0.9 million
(2) Letsema - Independent Expert - R0.3 million
(3) Ngubane & Co (Johannesburg) Inc. - Auditors - R0.4 million
(4) HLB CMA (South Africa) Inc. - Reporting Accountants - R0.3 million
(5) Bara Consulting - Competent Person - R1.7 million
(6) CAS - Geological and Technical Services - R0.2 million
(7) Mark Mining - Geological and Technical Services - R0.1 million
(8) JSE - Documentation inspection fees - R0.2 million
(9) JSE - Listing fees - R0.3 million
(10) Other - R0.4 million

The preparation and presentation of consolidated financial statements under reverse takeover principles are dictated by IFRS 3 paragraph B21 and B22. Application of these paragraphs mean that these consolidated financial statements prepared need to be issued under the name of the legal parent (accounting acquiree) (Mantengu) but are actually a continuation of the financial statements of the legal subsidiary (accounting acquirer) (Langpan), with one adjustment, which is to adjust retroactively the accounting acquirer's (Lanpan's) legal capital to reflect the legal capital of the accounting acquiree (Mantengu). That adjustment is required to reflect the capital of the legal parent (the accounting acquiree) (Mantengu). It also means that comparative information presented in these consolidated financial statements is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree) (Mantengu).

Because the consolidated financial statements represent the continuation of the financial statements of the legal subsidiary (Langpan) except for its capital structure, the consolidated financial statements need to reflect the following:

(a) the assets and liabilities of the legal subsidiary (the accounting acquirer) (Langpan) recognised and measured at their pre-combination (prior to transaction) carrying amounts.
(b) the assets and liabilities of the legal parent (the accounting acquiree) (Mantengu) recognised and measured at fair value in accordance with IFRS 3.
(c) the retained earnings and other equity balances of the legal subsidiary (accounting acquirer) Langpan before the business combination.
(d) the amount recognised as issued equity interests in the consolidated financial statements is determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) (Langpan) outstanding immediately before the business combination to the fair value of the legal parent (accounting acquiree) (Mantengu). However, the equity structure (ie the number and type of equity interests issued) reflects the equity structure of the legal parent (the accounting acquiree) (Mantengu), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) (Langpan) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) (Mantengu) issued in the reverse acquisition.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

23. Related parties

Relationships

Shareholder with significant influence	Disruption Capital Limited Proprietary Limited The Gamsy Family Trust Alistair Collins Family Trust
Subsidiary	Langpan Mining Co Proprietary Limited
Subsidiary of Langpan Mining Co Proprietary Limited	Memor Mining Proprietary Limited

Related party balances
Loan accounts - Owing to related parties

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Michael Miller	(2 192)	-	(2 192)	(2 563)
Disruption Capital Limited Proprietary Limited	(1 246)	-	-	-
Langpan Mining Co Proprietary Limited	-	-	(3 173)	(1 471)
The Gamsy Family Trust	(9 171)	-	(9 171)	(14 842)
Gillian Gamsy	(686)	(614)	-	-
	(13 295)	**(614)**	**(14 536)**	**(18 876)**

Related party transactions

Interest received from related party

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Langpan Mining Co Proprietary Limited	-	-	-	40

Notes to the Consolidated And Separate Financial Statements

24. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2023 - R'000

	Notes	Amortised cost	Fair value
Enviromental rehabilitation trust fund	8	854	854
Cash and cash equivalents	11	17 976	17 976
		18 830	**18 830**

Group - 2022 - R'000

	Notes	Amortised cost	Fair value
Environmental rehabilitation funds		976	976
Cash and cash equivalents	11	192	192
		1 168	**1 168**

Company - 2023 - R'000

	Note	Amortised cost	Fair value
Cash and cash equivalents	11	1 136	1 136

Company - 2022 - R'000

	Note	Amortised cost	Fair value
Cash and cash equivalents	11	12	12

Categories of financial liabilities

Group - 2023 - R'000

	Notes	Amortised cost	Fair value
Trade and other payables	16	15 400	15 400
Other financial liabilities	14	146 622	146 622
		162 022	**162 022**

Group - 2022 - R'000

	Notes	Amortised cost	Fair value
Trade and other payables	16	7 186	7 186
Other financial liabilities	14	60 693	60 693
		67 879	**67 879**

Notes to the Consolidated And Separate Financial Statements

24. Financial instruments and risk management (continued)

Company - 2023 - R'000

	Notes	Amortised cost	Fair value
Trade and other payables	16	5 966	5 966
Loan from group company	13	3 173	3 173
Other financial liabilities	14	12 464	12 464
		21 603	**21 603**

Company - 2022 - R'000

	Notes	Amortised cost	Fair value
Trade and other payables	16	7 393	7 393
Loans from group companies	13	1 471	1 471
Other financial liabilities	14	21 408	21 408
		30 272	**30 272**

Capital risk management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders from the capital projects in the mining industry. The Group monitors capital through the optimisation of the debt and equity balance. The capital structure of the Group consists of borrowings and equity. The directors review capital structure on a regular basis. As part of these reviews the costs of capital and the risk associated with each class of capital is considered.

Financial risk management

Credit risk

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Deposits and cash balances are maintained by Nedbank.

Group		2023 R'000			2022 R'000		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Related party loan		-	-	-	1 471	-	1 471
Cash and cash equivalents	11	17 976	-	17 976	192	-	192
Enviromental rehabilitation funds	8	854	-	854	976	-	976
Prepayments	10	4 899	-	4 899	-	-	-
		23 729	**-**	**23 729**	**2 639**	**-**	**2 639**

Notes to the Consolidated And Separate Financial Statements

24. Financial instruments and risk management (continued)

Company		2023 R'000			2022 R'000		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Cash and cash equivalents	11	1 136	-	1 136	12	-	12

Liquidity risk

Ultimate responsibility for liquidity risk management is with management, which has established an appropriate framework for the management of the Group's requirements. The Group manages liquidity risk by continuously monitoring forecasts and actual cash flows.

Group - 2023 - R'000

		Less than 1 year	**1 to 2 years**	**Carrying amount**
Non-current liabilities				
Other financial liabilities	14	-	77 368	77 368
Current liabilities				
Trade and other payables	16	15 400	-	15 400
Other financial liabilities	14	69 254	-	69 254
		84 654	**77 368**	**162 022**

Group - 2022 - R'000

		Less than 1 year	**Carrying amount**
Current liabilities			
Trade and other payables		7 186	7 186
Other financial liabilities	14	60 693	60 693

Company - 2023 - R'000

		Less than 1 year	**Carrying amount**
Current liabilities			
Trade and other payables	16	5 966	5 966
Loan from group company	13	3 173	3 173
Other financial liabilities	14	12 464	12 464
		21 603	**21 603**

Notes to the Consolidated And Separate Financial Statements

24. Financial instruments and risk management (continued)

Company - 2022 - R'000

		Less than 1 year	Carrying amount
Current liabilities			
Trade and other payables	16	7 393	7 393
Other financial liabilities	14	21 408	21 408
		28 801	**28 801**

Liquidity risk relating to other financial liabilities includes interest that will be payable in the coming 12 months.

Interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the year, the Group's borrowings at variable rate were denominated in the Rand.

At 28 February 2023, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post tax loss for the year would have been R395 130 (2022: R228 000) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

25. Earnings and headline earnings per share

Earnings				
Net (loss) profit attributable to ordinary shareholders	(16 905 722)	7 650 574	(5 760 208)	(7 836 708)
Number of shares				
Number of shares in issue at beginning of period (6)	55 753 424 658	137 500 000 000	863 053 100	863 053 100
Numbers of shares issued for acquisition of Langpan (2)	82 259 678 144	-	81 746 575 342	-
Number of shares cancelled	(196 500)	-	(196 500)	-
Number of shares issued - Rights offer (3)	3 452 054 864	-	3 452 054 864	-
	141 464 961 166	**137 500 000 000**	**86 061 486 806**	**863 053 100**
Adjusted for the effects of 1 000: 1 share consolidation				
Weighted average number of shares in issue (1)	**141 464 961**	**137 500 000**	**86 061 487**	**863 053**
Basic (loss) earnings per share (cents)	**(12)**	**6**	**(7)**	**(908)**
Diluted basic (loss) earnings per share (cents) (4)	**(12)**	**6**	**(7)**	**(908)**
Headline (loss) earnings and diluted headline (loss) earnings per share (cents) (4) (5)	**(12)**	**6**	**(7)**	**(908)**

(1) On 31 March 2023, the Company consolidated its Authorised and Issued Share Capital on a 1 000 to 1 basis. As the consolidation occurred prior to the date of approval of the AFS, the weighted average number of shares have been adjusted retrospectively in accordance with International Accounting Standard 33 - Earnings per Share, paragraph 64.
(2) As the Langpan acquisition occurred on 27 July 2022, the number of shares issued of 137 500 000 000 has been adjusted for being outstanding for 217 of 365 days.
(3) As the Rights offer occurred on 7 December 2022, the number of shares issued of 15 000 000 302 has been adjusted for being outstanding for 84 of 365 days.
(4) There are no dilutive potential ordinary shares.
(5) There are no adjustments to Headline earnings that arise out of the SAICA Headline Earnings Circular 1/2021.
(6) The Group number of shares outstanding at the beginning of the period have been adjusted in accordance with IFRS 3, paragraph B26 and B27.

Notes to the Consolidated And Separate Financial Statements

26. Directors' emoluments

Executive

Group and company - 2023 - R'000

	Emoluments	Board fees	Bonus	Total
MJ Miller	628	223	-	851
J Tshikundamalema	96	115	-	211
MM Movundlela	1 948	-	275	2 223
TA Makgolane	882	-	98	980
A Collins	73	-	-	73
V Madlela	160	155	-	315
	3 787	**493**	**373**	**4 653**

Group and company - 2022 - R'000

	Emoluments	Board fees	Total
MJ Miller	-	90	90
TA Makgolane	916	-	916
A Collins	-	80	80
V Madlela	-	50	50
MM Movundlela	1 818	-	1 818
	2 734	**220**	**2 954**

27. Commitments

On 14 April 2022, the Group entered into a contract with RWE Supply & Trading GMBH to deliver 240 000 metric tonnes of chrome over a period of 2 years.

The only other commitment outstanding at the date of approval of the annual financial statements relates to R65.8 million that is required to be incurred to complete the capitalisation of the Langpan mining operation.

28. Contingencies

There are no contingencies as at 28 February 2023.

29. Going concern

At 28 February 2023, the Group had accumulated losses totaling R20.5 million but the Group's total assets of R252.5 million exceeded its liabilities of R173.8 million. For the period ended 28 February 2023, the Company experienced a net loss after tax of R5.8 million (28 February 2022: R7.8 million) and the Company's total assets of R551.3 million exceeded its liabilities of R22.3 million.

The Group and Company financial results and financial position for the period ended 28 February 2023 was anticipated due to the following reasons:

1. The Company completed the acquisition of Langpan on 27 July 2022 for a consideration of R550 million.
2. The Company was non-operational thus incurred primarily operational and listings related costs.
3. Given that the Company was suspended on 26 July 2016, the Company has incurred significant historical losses related to maintaining the listing, catching up of outstanding financial compliance and canvassing the market for investment opportunities, thus the significant accumulated losses.
4. As at 28 February 2023, the Group has access to significant funding to deploy throughout its operations.

Given the fact that the Company has been fully reinstated onto the JSE, the acquisition of Langpan completed, the Group being fully funded and the successful commissioning of the Chrome Plant, the Board is confident that the Group and Company will have sufficient resources to operate as a going concern. As a result of these facts, the Board believes that it is appropriate to prepare the results on a going concern basis. Accordingly, the audited results do not include the adjustments that would result if the Group or Company were unable to continue as a going concern.

Notes to the Consolidated And Separate Financial Statements

30. Events after the reporting period

On 1 March 2023, the Board took the decision to terminate the services of Ngubane & Co (JHB) Inc. ("Ngubane") as the Company's external auditor with immediate effect. On 2 March 2023, the Board took the decision to appoint HLB CMA South Africa Inc. ("HLB CMA") as the Company's external auditor.

Following the resignation of Mahlatsi Movundlela as Chief Executive Officer on 28 February 2023, Michael Miller was appointed as the Company's Chief Executive Officer and Magen Naidoo was appointed as Chief Financial Officer (replacing Michael Miller as Financial Director), respectively with effect from 2 March 2023.

On 31 March 2023, the Company consolidated its Authorised and Issued Share Capital on a 1000:1 basis. The result of the consolidation was that the Authorised and Issued Share Capital was reduced to 155,000,000 and 153,362,857, respectively. This was done to simplify and neaten the legacy balance sheet and share register effects of the acquisition of Langpan on 27 July 2022.

On 30 May 2023, the Company released an announcement on SENS outlining the commissioning of the first Langpan chrome beneficiation plant ("Chrome Plant"). The successful commissioning of the Chrome Plant has enhanced the production capacity of the plant to a throughput of 36,000 tonnes per month or 100 tonnes per hour. The Chrome Plant is expected to produce approximately 18,000 tonnes of chrome concentrate, with a chrome content of between 42% and 44%, per month.

Annexure A – Shareholder Analysis

Share Register - 28 Feb 2023

Shareholder spread	**Number of shareholdings**	**%**	**Number of shares**	**%**
1-1000 shares	65	9,48%	32 022	0,00%
1001-10000	109	15,89%	598 193	0,00%
10001-100000	181	26,38%	9 135 735	0,01%
100001-1000000	200	29,15%	74 369 289	0,05%
1000000 share and over	131	19,10%	153 278 717 703	99,95%
Total Shares	686	100,00%	153 362 852 942	100,00%

Public/non-public shareholders				
Non- public shareholders				
Directors, associates and Executive Committee of the Company	5	1%	51 016 625 000	33,27%
Related holdings	7	1%	52 169 860 091	34,02%
Public shareholders	674	98%	50 176 371 881	32,72%
Total	**686**	**100%**	**153 362 856 972**	**100,00%**

Beneficial shareholders holding 5% or more		
Kianalily (Pty) Ltd	14 030 334 000	9%
The Gamsy Family Trust	33 993 034 006	22%
Alistair Collins Family Trust	16 876 750 000	11%
Disruption Capital (Pty) Ltd	22 133 375 000	14%
Its Really Me (Pty) Ltd	10 819 875 000	7%
Dev Maharaj Family Trust	6 905 250 000	5%
Ms Susan Lynne Tarr	7 275 157 933	5%
Pinotage Trustees sarl as Trustee	7 286 125 000	5%
Total	119 319 900 939	78%
Breakdown of non-public holdings		
Directors, associates and Executive Committe of the Company		
Siyembili Consulting & Business ser	187 000 000	0,12%
Alistair Collins Family Trust	16 876 750 000	11,00%
Disruption Capital (Pty) L,td	22 133 375 000	14,43%
Its Really Me (Pty) Ltd	10 819 875 000	7,06%
Putisolve (Pty) Ltd	999 625 000	0,65%
Total	**51 016 625 000**	**33,27%**

Related Holdings		
Growth Equities (Pty) Ltd	3 580 013	0,00%
Kianalily (Pty) Ltd	14 030 334 000	9,15%
Mr Harry Douglas Welsh	307 690 591	0,20%
Mrs Jennifer Suzanne Geyer	1 664 609 595	1,09%
Parkview Trust	1 657 794 235	1,08%
Pocot Trust	512 817 651	0,33%
The Gamsy Family Trust	33 993 034 006	22,17%
	52 169 860 091	**34,02%**